

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

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In the Matter of:

APPLICATION OF LOUISVILLE GAS)	
AND ELECTRIC COMPANY FOR)	
CERTIFICATES OF CONVENIENCE AND)	CASE NO.
NECESSITY FOR FRANCHISES IN CERTAIN)	9562
CITIES IN ITS SERVICE AREA)	

O R D E R

On April 2, 1986, Louisville Gas and Electric Company ("LG&E") filed with the Commission its application seeking a certificate of convenience and necessity to qualify it to bid on gas and electric franchises in the Kentucky cities of: Parkway Village, Bardstown, Strathmoor Gardens, Rolling Hills, Wellington, Bedford, Glenview and Park Lake. Under the provisions of KRS 278.020(3), no utility may apply for a franchise from any governmental agency until it has obtained a certificate of convenience and necessity from this Commission based on our finding that there is a need and demand for the services sought to be rendered.

The Commission finds that there is a need and demand for gas and electric service in the above mentioned cities. Since the Commission's authority in such matters is limited by statute to finding only whether there is a need and demand for the service sought to be rendered, no finding or determination is made as to the validity of any of the provisions of the franchises offered by said cities. The manner in which any franchise fee is to be treated for rate purposes may be an issue in future rate cases.

IT IS THEREFORE ORDERED that:

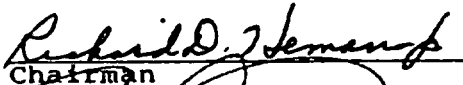
1. LG&E be and it hereby is granted a certificate of convenience and necessity which authorizes it to bid on gas and electric franchises in the cities of Parkway Village, Bardstown, Strathmoor Gardens, Rolling Hills, Wellington, Bedford, Glenview and Park Lake.

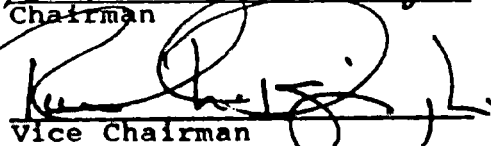
2. LG&E, if it becomes the successful bidder, shall file with this Commission copies of the said franchises.

3. This Order shall not be construed as granting a certificate of convenience and necessity to construct utility facilities in said cities.

Done at Frankfort, Kentucky, this 18th day of April, 1986.

PUBLIC SERVICE COMMISSION


Chairman


Vice Chairman


Commissioner

ATTEST:

Secretary